No. 02-848

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IN THE

Supreme Court of the United States

SOUTHERN CLAY PRODUCTS, INC.,
Petitioner,

v.

UNITED CATALYSTS, INC.,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

RESPONDENT'S BRIEF IN OPPOSITION

DONALD R. DUNNER
Counsel of Record
FINNEGAN, HENDERSON, FARABOW,
GARRETT & DUNNER, L.L.P.
1300 I Street, NW
Washington, DC 20005-3315
(202) 408-4000

ADAM AVRUNIN
KELLY A. CASEY
MICHAEL J. MCCABE II
FINNEGAN, HENDERSON, FARABOW,
GARRETT & DUNNER, L.L.P.
3200 SunTrust Plaza
303 Peachtree Street, NE
Atlanta, GA 30308-3201
(404) 653-6400

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QUESTIONS PRESENTED

(1) Should this Court grant Petitioner's request for a writ of certiorari based on Petitioner's allegation that the Federal Circuit violated the First and Fifth Amendments by denying Petitioner rehearing *en banc* where the decision to grant rehearing *en banc* is discretionary; where the Federal Circuit's nonprecedential decision in this patent appeal followed well-established precedent, did not involve a question of "exceptional importance," and thus did not meet the standards of Fed. R. App. P. 35(a); and where Petitioner cannot, in any event, establish a violation of any constitutional right?

(2) Should this Court grant Petitioner's request for a writ of certiorari based on Petitioner's allegation that the Federal Circuit violated the Seventh Amendment by reversing, as a matter of law, the district court's entry of judgment as a matter of law that one of Petitioner's patents was not invalid where the Federal Circuit resolved the pivotal underlying issue—which even Petitioner admits is a purely legal question—and then determined that, in light of the resolution of that legal issue and all of the evidence produced by Petitioner, who was fully heard at trial below, no reasonable jury could find in Petitioner's favor?

PARTIES TO THE PROCEEDINGS BELOW

The parties are Petitioner, Southern Clay Products, Inc., and Respondent, United Catalysts, Inc. (now known as Süd-Chemie Inc.).

United Catalysts, Inc. identifies Süd-Chemie A.G. as a publicly held company that owns 10 percent or more of the stock of United Catalysts, Inc. There are no other parent corporations or publicly held companies that own 10 percent or more of United Catalysts, Inc.'s stock.

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PERTINENT RULES

Fed. R. App. P. 35(a)

When Hearing or Rehearing En Banc May Be Ordered. A majority of the circuit judges who are in regular active service may order that an appeal or other proceeding be heard or reheard by the court of appeals en banc. An en banc hearing or rehearing is not favored and ordinarily will not be ordered unless:

(1) en banc consideration is necessary to secure or maintain uniformity of the court's decisions; or

(2) the proceeding involves a question of exceptional importance.

Fed. Cir. R. 47.6(c)

Request to Make an Opinion or Order Precedential; Time for Filing. Within 60 days after any nonprecedential opinion or order is issued, any person may request, with accompanying reasons, that the opinion or order be reissued as precedential. An original and 6 copies of the request must be filed with the court. The request will be considered by the panel that rendered the disposition. The requestor must notify the court and the parties of any case that person knows to be pending that would be determined or affected by reissuance as precedential. Parties to pending cases who have a stake in the outcome of a decision to make precedential must be given an opportunity to respond. If the request is granted, the opinion or order may be revised as appropriate.

STATEMENT OF THE CASE

I. Introduction

In this appeal, the Federal Circuit reversed, as a matter of law, a district court's entry of judgment as a matter of law that one of Petitioner's patents was not invalid for anticipation. This decision was supported—and indeed compelled—by the Federal Circuit's well-established precedent on the legal issue of "incorporation by reference" and this Court's precedent on the disposition of claims as to which no genuine issues of material fact are in dispute.

Nevertheless, Petitioner argues that the Federal Circuit misapplied precedent, and, because of this alleged misapplication of precedent, the Federal Circuit was *required* to rehear this appeal *en banc*. According to Petitioner, the Federal Circuit violated its constitutional rights by declining to rehear this appeal *en banc*.

Petitioner's argument is based on the erroneous assertion that the Federal Circuit denied its request for rehearing *en banc* because of an alleged prohibition on granting rehearing *en banc* in appeals that were the subject of a nonprecedential opinion. Contrary to Petitioner's speculation, there is no such policy. While nonprecedential opinions often are denied rehearing *en banc*, this correlation results from the fact that cases meeting the requirements for a nonprecedential opinion will rarely meet the strict guidelines under Fed. R. App. P. 35(a) that circuit courts apply in exercising their discretion to grant rehearings *en banc*. Far from demonstrating the alleged prohibition, the Federal Circuit's decision to deny rehearing *en banc* in this case reflects that such rehearing was unwarranted under Fed. R. App. P. 35(a). Therefore, Petitioner's first question

presented to this Court is based on an entirely erroneous premise.

Moreover, even accepting *arguendo* Petitioner's flawed premise, Petitioner's assertion that the Federal Circuit violated Petitioner's rights under the First Amendment lacks merit. The First Amendment right of access to the courts provides only a limited right to file a suit. While Petitioner argues that the right of court access should be expanded to include a right to a rehearing *en banc*, it provides no authority or even a reason why that right should be so expanded. Indeed, such expansion of the right of court access would be inconsistent with the discretionary nature of rehearings *en banc* and unnecessary given that the Due Process Clause already guarantees that, once filed, a suit will receive full and fair consideration by the courts.

Petitioner's argument that the denial of rehearing *en banc* violated its Fifth Amendment equal protection rights is equally without merit because this argument is based entirely on its allegation that the Federal Circuit has a policy of denying rehearing *en banc* as a matter of course to litigants who have received a nonprecedential opinion and the Federal Circuit has no such policy. Moreover, the criteria the Federal Circuit uses in determining whether to exercise its discretion to grant rehearing *en banc*—the criteria of Fed. R. App. P. 35(a)—does not violate the equal protection guarantee.

Petitioner's second basis for seeking a writ of certiorari, *i.e.*, its allegation that the Federal Circuit violated Petitioner's Seventh Amendment rights, also lacks merit. Courts may properly enter judgment as a matter of law that a patent is invalid for anticipation, even though anticipation is a question of fact, where there are no genuine issues of

material fact in dispute. In this case, the Federal Circuit decided the legal question of incorporation by reference and then determined that, based on the resolution of that legal issue and given the evidence of record—which included all of Petitioner's evidence brought forth during trial—no reasonable jury could find in Petitioner's favor. Because the Federal Circuit thus properly entered judgment as a matter of law under these circumstances, certiorari should be denied for Petitioner's second question presented as well.

II. Background

A. District Court Proceedings

Petitioner Southern Clay Products, Inc. ("Southern Clay") filed this suit in June 1998 in the Southern District of Texas (98-CV-1756, Judge Kenneth M. Hoyt), alleging that Respondent United Catalysts, Inc. ("United") infringed Southern Clay's U.S. Patent Nos. 4,664,842 ("the '842 patent") and 5,110,501 ("the '501 patent"). In response, United denied infringement, alleged that the patents-in-suit were invalid and unenforceable, and asserted counterclaims alleging that Southern Clay violated antitrust laws.

Before trial, United moved for partial summary judgment that the '842 and '501 patents were invalid and unenforceable. (Pet. App.[1] at 5; Defendant United Catalysts, Inc.'s Motions for Partial Summary Judgment at 66, filed Dec. 30, 1999 (S.D. Tex.).) In its motion, United argued as one basis for invalidity that the '842 patent is expressly

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[1] "Pet. App." refers to the Appendix to Southern Clay's Petition for Writ of Certiorari in this case.

anticipated[2] by U.S. Patent No. 3,951,850 (issued to Clocker et al. and referred to herein as "Clocker") by virtue of Clocker's incorporation by reference of U.S. Patent No. 3,348,778 (issued to Cohn et al. and referred to herein as "Cohn"). (Defendant United Catalysts, Inc.'s Motions for Partial Summary Judgment at 62-64, filed Dec. 30, 1999 (S.D. Tex.).) United also argued that Clocker alone inherently anticipates the '842 patent. (Defendant United Catalysts, Inc.'s Motions for Partial Summary Judgment at 58-59, filed Dec. 30, 1999 (S.D. Tex.).)

The magistrate judge recommended denial of United's motion, stating simply, "Southern's claims that there is no prior art that defeats its patents renders summary judgment on the basis of this premise[ ] meritless." (Pet. App. at 32.) The district judge refused to adopt the magistrate judge's findings of fact and conclusions of law but nevertheless denied United's motion for partial summary judgment without explanation. (Pet. App. at 33.)

As a consequence of the district court's failure to grant United's motion for partial summary judgment that Clocker expressly anticipates the '842 patent by its incorporation by reference of Cohn and also inherently anticipates the patents-in-suit, the parties' joint pretrial order states that "[w]hether U.S. Patent No. 3,951,850 (the 'Clocker patent') anticipates the claims of the '842 or '501 patents" was a contested issue of fact. (Joint Pretrial Order at 6, filed May 1, 2000 (S.D. Tex.).)

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[2] "To anticipate a claim [of a patent], a prior art reference must disclose every limitation of the claimed invention, either explicitly [*i.e.*, expressly] or inherently." *Atlas Powder Co. v. Ireco, Inc.*, 190 F.3d 1342, 1346 (Fed. Cir. 1999).

At trial, Southern Clay presented its entire case-in-chief to the jury and rested without making any motions for judgment as a matter of law ("JMOL"). (Pet. App. at 6.) Nonetheless, without permitting United to present its case-in-chief, the district court *sua sponte* granted JMOL for Southern Clay on infringement, validity, and enforceability. (Pet. App. at 6.) In its later-issued memorandum opinion, the district court held, as a matter of law, that Clocker does not incorporate Cohn by reference and does not anticipate the patents-in-suit. (Memorandum Opinion at 27, entered Feb. 2, 2001 (S.D. Tex.).)

B. Federal Circuit Proceedings

United appealed, arguing, among other things, that the Clocker patent renders the patents-in-suit invalid as a matter of law because Clocker expressly anticipates the patents-in-suit by its incorporation by reference of Cohn.[3] (Brief for Defendant-Appellant United Catalysts, Inc. at 38, 40-45, filed Aug. 6, 2001 (Fed. Cir.); Pet. App. at 9.)

On July 26, 2002, the Federal Circuit issued its opinion and entered judgment. The Federal Circuit reversed the district court's judgment as to the '842 patent, agreeing with United that the '842 patent is invalid because Clocker anticipates it as a matter of law. (Pet. App. at 1, 11.) The Federal Circuit also vacated the district court's judgment on the '501 patent and remanded for further proceedings,

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[3] United also argued in the alternative that if the Federal Circuit did not conclude that the patents-in-suit are invalid as a matter of law, the district court's grant of JMOL was improper because genuine issues of material fact remained regarding whether Clocker inherently anticipates the patents-in-suit. (Brief for Defendant-Appellant United Catalysts, Inc. at 38, 49-50, filed Aug. 6, 2001 (Fed. Cir.).)

explaining that the district court's *sua sponte* grant of JMOL at the close of Southern Clay's case constituted error because it denied United the opportunity to be fully heard on disputed factual issues and that claim construction of a particular limitation "would benefit the parties." (Pet. App. at 1-2, 11-13 & n.12.)

In holding as a matter of law that Clocker anticipates the '842 patent, the Federal Circuit first considered the purely legal issue of whether the Clocker patent incorporates by reference the Cohn patent. Explaining that "[w]hether and to what extent material has been incorporated by reference into a host document is a question of law" (Pet. App. at 7), the court held that Clocker incorporates Cohn's disclosure relating to bond-breaking methods through the following passage:

> Exemplary of commonly employed physical or comminuting techniques for breaking the bonds between the colloidal particles in a clay particle aggregate are those techniques disclosed in United States Pat. Nos. Re. 25,965; 3,253,791; 3,307,790; and 3,348,778 [Cohn]. Generally speaking, the techniques disclosed in these patents effect some type of grinding or comminuting either by shear or abrasion so as to break the bonds in the clay aggregate particle and thus form several colloidal particles therefrom.

(Pet. App. at 10-11.)

The Federal Circuit reasoned that the legal issue of incorporation by reference is squarely controlled by the well-established precedent of *In re Voss*, 557 F.2d 812 (CCPA

1977), where the court held that a patent's statement that "[r]eference is made to [U.S. Pat. No. 2,920,971] . . . for a general discussion of glass-ceramic materials and their production," *Voss*, 557 F.2d at 816, incorporated the referenced patent because "it demonstrated the patentee's intent to make that patent part of the specification" (Pet. App. at 10); *Voss*, 557 F.2d at 817. Just as the statement in *Voss* indicated the necessary intent to incorporate by reference, the Federal Circuit held, so does the statement in Clocker. (Pet. App. at 10-11.) The court rejected Southern Clay's contention that "because Clocker tells a person of ordinary skill in the art that Cohn's methods are inefficient, there is no intent for Cohn to be effectively part of Clocker," explaining that "teaching away" from an invention is not relevant to the legal question of incorporation by reference. (Pet. App. at 10-11 (citing *Celeritas Techs., Ltd. v. Rockwell Int'l Corp.*, 150 F.3d 1354, 1361 (Fed. Cir. 1998)).)

The court also explained that, to incorporate Cohn by reference, Clocker must "identify with detailed particularity what specific material it incorporates and clearly indicate where that material is found in the various documents." (Pet. App. at 9-10 (citing *Advanced Display Sys., Inc. v. Kent State Univ.*, 212 F.3d 1272, 1282 (Fed. Cir. 2000)).) Rejecting Southern Clay's contention that "Clocker does not clearly identify which material in Cohn is meant to be incorporated," the Federal Circuit explained that "Clocker specifically identifies that Cohn is relevant for its bond-breaking methods." (Pet. App. at 10.)

Accordingly, the court held that "Clocker incorporates Cohn by reference." (Pet. App. at 11.) Concluding that no reasonable jury could find that Clocker does not anticipate the '842 patent when Cohn is incorporated by reference, the Federal Circuit held that the

'842 patent is invalid as a matter of law. (Pet. App. at 11; *see also id.* at 7, 9.)

Chief Judge Mayer dissented from the court's opinion. On the issue of incorporation by reference, the Chief Judge recognized that the dispute did not concern the law itself, but only the application of well-settled law to the specific facts in this case. (Pet. App. at 16 ("The court correctly states that rule [about the requirements for incorporation by reference] yet does not apply it to the facts of this case.").) Without specifying any factual issues in dispute, he further opined that a "[h]olding that Clocker incorporates Cohn by reference requires remand to the district court for an anticipation determination by the factfinder." (Pet. App. at 16-17.)

The three judges on the panel unanimously designated the opinion as non-precedential pursuant to Fed. Cir. R. 47.6. (Pet. App. at 1, 14.) As that rule provides, "[a]n opinion or order which is designated as not to be cited as precedent is one unanimously determined by the panel issuing it as not adding significantly to the body of law." Fed. Cir. R. 47.6(b). Thus, although Chief Judge Mayer alone could have required the opinion in this case to be precedential, he declined to do so.

Following the Federal Circuit's decision, Southern Clay filed a combined Petition for Rehearing and Suggestion for Rehearing En Banc, rearguing points made in its appeal brief and in oral argument before the Federal Circuit and which the panel majority had expressly addressed and rejected in its opinion. (Plaintiff-Appellee's Petition for Rehearing and Suggestion for Rehearing En Banc at 11-15, filed Aug. 9, 2002 (Fed. Cir.).) The court did not request a response from United, *see* Fed. R. App. P. 35(e), and denied

Southern Clay's combined petition on September 4, 2002. (Pet. App. at 36-37.)

Pursuant to Fed. Cir. R. 47.6(c), which permits any party receiving a nonprecedential opinion to request that the opinion be reissued as precedential, Southern Clay filed a Motion to Reissue the Federal Circuit's Opinion as Precedential on September 24, 2002. Thus, despite now asserting in its petition for writ of certiorari that the Federal Circuit prohibits rehearings *en banc* for all appeals that are the subject of a nonprecedential opinion, Southern Clay failed to exercise its right under Fed. Cir. R. 47.6(c) to request reissuance of the opinion as precedential until almost three weeks after the Federal Circuit had denied its request for rehearing *en banc*.

On the same day that Southern Clay filed its Motion to Reissue the Federal Circuit's Opinion as Precedential, it also filed a Motion to Recall and Stay the Mandate, arguing contrary to precedent[4] that its intent to seek a writ of certiorari in this Court necessitated that the Federal Circuit withhold the mandate in this case. Without awaiting United's opposition to Southern Clay's two motions, the Federal Circuit denied them. (Pet. App. at 35.) Southern Clay now asks this Court to grant the instant petition for writ of certiorari.

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[4] Issuance of a court of appeals mandate does not defeat the right to petition the Supreme Court for a writ of certiorari. *Aetna Cas. & Sur. Co. v. Flowers*, 330 U.S. 464, 466-67 (1947).

REASONS FOR DENYING THE WRIT

III. The Federal Circuit Properly Exercised Its Discretion to Deny Southern Clay Rehearing *En Banc*

Contrary to Southern Clay's assertion that rehearing *en banc* in this case was "mandatory" (Pet.[5] at 8), *en banc* rehearings are entirely discretionary, Fed. R. App. P. 35(a) (stating that "[a] majority of the circuit judges who are in regular active service *may* order that an appeal or other proceeding be heard or reheard by the court of appeals en banc." (emphasis added)); *see also W. Pac. R.R. Corp. v. W. Pac. R.R. Co.*, 345 U.S. 247, 261 (1953) ("A court may take steps to use the en banc power sparingly . . . ."). Indeed, rehearings *en banc* are "not favored" and "ordinarily will not be ordered." Fed. R. App. P. 35(a); *see also* (Pet. App. at 22 ("In-banc decisions are extraordinary occurrences.")). The Federal Circuit's "Questions and Answers" accompanying the Notice of Entry of Judgment states that, since 1982, the court has decided only 37 cases *en banc*. (Pet. App. at 23.)

As discussed below, the Federal Circuit properly denied Southern Clay's combined petition for rehearing because this appeal does not merit *en banc* review. Contrary to Southern Clay's unfounded assertions of "institutional bias" (Pet. at 6), the Federal Circuit's action was not based on an absolute prohibition on *en banc* rehearings of appeals that are the subject of nonprecedential[6] opinions. Moreover,

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[5] "Pet." refers to Southern Clay's Petition for Writ of Certiorari.

[6] Citing *Anastasoff v. United States*, 223 F.3d 898, *vacated as moot*, 235 F.3d 1054 (8th Cir. 2000) (*en banc*), Southern Clay casts aspersions on the Federal Circuit's practice of designating as nonprecedential opinions that are "unanimously determined by the panel issuing [them] as not

even assuming *arguendo* that the alleged prohibition exists, the Federal Circuit did not violate Southern Clay's First Amendment rights in denying Southern Clay's petition for

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adding significantly to the body of law," Fed. Cir. R. 47.6(b). As a threshold matter, Southern Clay's contention should be rejected because it is based entirely on an alleged violation of Article III of the Constitution (Pet. at 15-16) and thus is irrelevant to answering any of the questions Southern Clay presents to the Court in its "Questions Presented" section, which raise only constitutional issues under the First, Fifth, and Seventh Amendments to the Constitution (Pet. at i-ii). Sup. Ct. R. 14(1)(a) ("Only the questions set out in the petition, or fairly included therein, will be considered by the Court."). Moreover, if addressed, Southern Clay's contention should be rejected on the merits. No court has agreed with the rationale of the now-vacated *Anastasoff* decision. To the contrary, *Anastasoff* has been scrutinized and convincingly rejected. *See Symbol Techs., Inc. v. Lemelson Med.*, 277 F.3d 1361, 1366-68 (Fed. Cir. 2002) (criticizing *Anastasoff* and concluding that Article III does not prohibit the issuance of nonprecedential opinions), *cert. denied*, 123 S. Ct. 113 (2002); *Hart v. Massanari*, 266 F.3d 1155, 1163 n.7 (9th Cir. 2001) (concluding that courts may constitutionally issue nonprecedential opinions and noting that "[r]ules limiting the precedential effect of unpublished decisions exist in every federal circuit and all but four states . . . ."); *see also* Thomas R. Lee & Lance S. Lehnhof, *The Anastasoff Case and the Judicial Power to "Unpublish" Opinions*, 77 Notre Dame L. Rev. 135, 173 (2001) ("[A]lthough the historical analysis in *Anastasoff* has some superficial appeal, it cannot withstand close scrutiny."); Thomas F. Kibbey, *Standardizing the Rules Restricting Publication and Citation in the Federal Courts of Appeals*, 63 Ohio St. L.J. 833, 849 (2002) ("[T]he *Anastasoff* opinion fails to make a convincing case that restricted citation rules are unconstitutional."); Christian F. Southwick, *Unprecedented: The Eighth Circuit Repaves Antiquas Vias with a New Constitutional Doctrine*, 21 Rev. Litig. 191, 278 (2002) ("Sustained analysis of *Anastasoff* reveals that its logical, theoretical, and historical deficiencies are fatal."); Brian Endter, *Death, Taxes, and Unpublished Opinions: In the Wake of Anastasoff v. United States and its Holding that Eighth Circuit Rule 28(A)(i) Unconstitutionally Expands the Judicial Power*, 33 Ariz. St. L.J. 613, 621-28 (2001) (rejecting the constitutional analysis in *Anastasoff*).

rehearing *en banc*. Nor did the Federal Circuit violate Southern Clay's equal protection rights under the Fifth Amendment, because the Federal Circuit evenhandedly applies the rational criteria of Fed. R. App. P. 35(a) in determining whether to exercise its discretion to grant rehearing *en banc*.

A. This Appeal Did Not Merit Rehearing *En Banc*

En banc rehearing "ordinarily will not be ordered unless: (1) en banc consideration is necessary to secure or maintain uniformity of the court's decisions; or (2) the proceeding involves a question of exceptional importance." Fed. R. App. P. 35(a); *see also* Fed. Cir. R. 35(b). In both its combined Petition for Rehearing and Suggestion for Rehearing En Banc and its Petition for Writ of Certiorari in this Court, Southern Clay has failed to demonstrate that it meets either of these criteria.[7]

First, Southern Clay has failed to establish that the Federal Circuit's decision is inconsistent with any decisions of the Federal Circuit or of this Court. Instead, Southern Clay merely disagrees with the application of well-settled precedent to the facts of this case.[8] Indeed, even Chief Judge

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[7] Although Rule 35 does not exclude the possibility of other reasons for granting rehearing *en banc*, Fed. R. App. P. 35(a) (noting that rehearing *en banc* "ordinarily" will not be granted unless enumerated criteria are met), Southern Clay has not argued that this appeal is worthy of *en banc* consideration for any reason other than the court's alleged failure to follow precedent (Pet. at 16-18).

[8] For the same reasons that this case is not worthy of *en banc* consideration in the court of appeals, it also does not warrant review by this Court. Sup. Ct. R. 10 ("A petition for a writ of certiorari is rarely

Mayer noted in his dissenting opinion that the panel had correctly stated the law but, in his view, simply did not apply it correctly. (Pet. App. at 16 ("The court correctly states that rule [about the requirements for incorporation by reference] yet does not apply it to the facts of this case.").) Southern Clay also admits that this case, at best to Southern Clay, merely involves a disagreement over the application of well-settled law to the facts of this case. (Pet. at 16 ("The Panel Majority misapplied . . . Federal Circuit precedent . . . ."); *id.* ("The Panel Majority incorrectly applied the rule . . . .").)

Moreover, the Federal Circuit did not, in any event, misapply its precedent on incorporation by reference. Contrary to Southern Clay's contention, the Clocker patent does identify with sufficient particularity the material in Cohn to be incorporated. Clocker directs one to Cohn regarding Cohn's disclosure relating to methods for "breaking the bonds between the colloidal particles in a clay particle aggregate . . . ." (Pet. App. at 80.) Clocker further specifies that Cohn is cited for its disclosure of a means for effecting "some type of grinding or comminuting either by shear or abrasion so as to break the bonds in the clay aggregate particle and thus form several colloidal particles therefrom." (Pet. App. at 80.) These references are sufficiently detailed to make clear that Clocker intended to effectively include material relating to Cohn's bond-breaking methods as a part of its disclosure. Moreover, Cohn's disclosure regarding bond-breaking techniques is prominently featured in Cohn, U.S. Patent No. 3,348,778 (issued Oct. 24, 1967), contrary to the suggestions by Southern Clay and Chief Judge Mayer that it would be

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granted when the asserted error consists of . . . the misapplication of a properly stated rule of law.").

difficult to locate Cohn's incorporated disclosure (Pet. at 16-17; Pet. App. at 16).

In addition, contrary to Southern Clay's contentions (Pet. at 16), the Clocker patent does not direct the reader not to look at Cohn. Clocker discusses Cohn as a part of the prior art that is relevant to the claimed invention. (Pet. App. at 80.) That Clocker asserts that its invention is an improvement over the prior art does not negate its disclosure regarding the bond-breaking methods of Cohn: "A reference is no less anticipatory if, after disclosing the invention, the reference then disparages it." *Celeritas*, 150 F.3d at 1361. Significantly, Southern Clay does not and cannot challenge the well-settled holding of *Celeritas*.

As discussed *infra* Part IV, the Federal Circuit's grant of judgment as a matter of law was also in conformance with well-established precedent of the Federal Circuit and of this Court. Thus, Southern Clay cannot establish that rehearing *en banc* was "necessary to secure or maintain uniformity of the court's decisions . . . ." Fed. R. App. P. 35(a).

As to the second criteria of Rule 35(a), Southern Clay has not established that this appeal involves "a question of exceptional importance." Fed. R. App. P. 35(a). Indeed, any suggestion that this case involves "a question of exceptional importance" is belied by the fact that even Chief Judge Mayer, who dissented from the panel's opinion, viewed this case "as not adding significantly to the body of law." Fed. Cir. R. 47.6(b) ("An opinion or order which is designated as not to be cited as precedent is one unanimously determined by the panel issuing it as not adding significantly to the body of law."). Similarly, the weakness of Southern Clay's arguments on the merits, as discussed above and *infra* Part

IV, also demonstrates that this case fails to raise "a question of exceptional importance."

Moreover, even accepting *arguendo* that Southern Clay could meet the criteria of Rule 35(a), as discussed above, granting rehearing *en banc* is entirely discretionary. The Federal Circuit thus properly denied Southern Clay's petition for rehearing.

B. Rehearing *En Banc* Is Available for Nonprecedential Opinions

Southern Clay speculates that, rather than properly exercising its discretion and applying the criteria of Rule 35(a) to determine that rehearing *en banc* was unwarranted in this case, the Federal Circuit simply applied an alleged "stated policy" of denying rehearing *en banc* in appeals that were the subject of nonprecedential opinions. (Pet. at i-ii, 8, 19-21.) Contrary to Southern Clay's assertion, no such policy exists.

Indeed, the statements on which Southern Clay relies in attempting to establish the alleged Federal Circuit policy (Pet. at 8) belie Southern Clay's own position. The Practice Note relied upon by Southern Clay specifies only that "[a] petition for rehearing en banc is *rarely* appropriate if the appeal was the subject of a nonprecedential opinion" (Pet. App. at 45 (emphasis added)), and the "Questions and Answers" accompanying the Notice of Entry of Judgment specifies that a precedential opinion is only a "*usual* prerequisite" for rehearing *en banc* to be appropriate (Pet. App. at 23 (emphasis added)). Neither statement provides that nonprecedential opinions are *always* denied *en banc* review, as Southern Clay contends.

Moreover, far from demonstrating an alleged prohibition on *en banc* review for appeals that were the subject of nonprecedential opinions, the statements in the Federal Circuit's Practice Note and "Questions and Answers" simply reflect a correlation between the criteria for determining whether an opinion should be designated precedential and the criteria for whether *en banc* review should be granted. "An opinion or order which is designated as not to be cited as precedent is one unanimously determined by the panel issuing it as not adding significantly to the body of law." Fed. Cir. R. 47.6(b). Similarly, "[a]n en banc hearing or rehearing is not favored and ordinarily will not be ordered unless: (1) en banc consideration is necessary to secure or maintain uniformity of the court's decisions; or (2) the proceeding involves a question of exceptional importance." Fed. R. App. P. 35(a); *see also* Fed. Cir. R. 35(b). Where, as in this case, the panel has unanimously determined that an opinion does "not add[] significantly to the body of law," that appeal is simply unlikely to warrant rehearing *en banc*.

Thus, Southern Clay's assertion that the Federal Circuit prohibits *en banc* review of appeals that were the subject of nonprecedential opinions should be rejected. Because Southern Clay's assertions of First and Fifth Amendment violations are premised on this fictitious prohibition, there can be no such constitutional violations.

C. The First Amendment Does Not Grant a Right to a Rehearing *En Banc*

Even accepting *arguendo* the alleged Federal Circuit policy, Southern Clay cannot establish that the Federal Circuit violated the First Amendment. Contrary to Southern Clay's argument, the First Amendment right of access to the

courts does not provide a right to a rehearing *en banc*. The right of access to the courts is only a limited right to file a suit. Indeed, this Court has not recognized the right of court access as providing anything more than such a limited right to file a suit. *See California Motor Transp. Co. v. Trucking Unlimited*, 404 U.S. 508, 515 (1972) (recognizing right to file suit under First Amendment right of court access, but holding that even that right has limits); *Bill Johnson's Rests., Inc. v. NLRB*, 461 U.S. 731, 741-43 (1983) (noting limited right to file suit under First Amendment right of court access).

Southern Clay's position that the right of access to the courts should be expanded to encompass a right to a rehearing *en banc* should be rejected. Southern Clay itself cites no authority and provides no rationale to justify such an unprecedented expansion of constitutional rights. (Pet. at 18-19.) Indeed, no justification exists for expanding the right of court access beyond the right to file a suit because the Due Process Clause already guarantees that, once filed, a suit will receive full and fair consideration by the courts. *See* Carol Rice Andrews, *A Right of Access to Court Under the Petition Clause of the First Amendment: Defining the Right*, 60 Ohio St. L.J. 557, 644-48 (1999).

Moreover, as discussed above, rehearings *en banc* are discretionary. Fed. R. App. P. 35(a) (stating that "[a] majority of the circuit judges who are in regular active service *may* order that an appeal or other proceeding be heard or reheard by the court of appeals en banc." (emphasis added)); *see also W. Pac. R.R.*, 345 U.S. at 261 ("A court may take steps to use the en banc power sparingly . . . ."). Southern Clay's position that it has a constitutional right to an action that is within the discretion of the courts is untenable.

Lastly, Southern Clay's assertion that the Federal Circuit "effectively left Southern Clay with no forum for review of the Federal Circuit's decision" by denying it rehearing *en banc* (Pet. at 19; *see also* Pet. at 20 (arguing that the Federal Circuit "destroy[ed]" Southern Clay's "opportunity for any further review.")) is also wrong. Southern Clay could have and did seek panel rehearing of the decision. And as Southern Clay itself admits, nothing precludes Southern Clay from seeking review of the merits of its case in this Court. (Pet. at 14 (quoting *Comm'r v. McCoy*, 484 U.S. 3, 7 (1987)).)

Therefore, because the right of access to the courts does not provide a right to a rehearing *en banc*, the Federal Circuit did not violate Southern Clay's First Amendment rights.

D. The Federal Circuit Did Not Violate the Fifth Amendment

As discussed *supra* Part III.B., the Federal Circuit does not have a policy of denying rehearing *en banc* to litigants like Southern Clay who have received a nonprecedential opinion. Rather, the Federal Circuit applies the criteria of Fed. R. App. P. 35(a) equally to all litigants, just as it did to Southern Clay in this case, in determining whether to exercise its discretion to grant a request for rehearing *en banc*. Because Southern Clay's assertion that the Federal Circuit violated the equal protection guarantee of the Fifth Amendment is based entirely on its allegation that the Federal Circuit discriminates against litigants receiving nonprecedential opinions through a policy of denying rehearing *en banc* as a matter of course to such litigants (Pet. at 19-21) and because the alleged discrimination simply does not exist, there can be no Fifth Amendment violation.

Significantly, Southern Clay does not challenge as an equal protection violation the criteria the Federal Circuit actually uses (*i.e.*, the criteria of Fed. R. App. P. 35(a)) to determine whether to exercise its discretion to grant rehearing *en banc*. Indeed, Southern Clay cannot do so.

As this Court has explained, "laws that apply evenhandedly to all 'unquestionably comply' with the Equal Protection Clause." *Vacco v. Quill*, 521 U.S. 793, 800 (1997). The Federal Circuit's use of the Rule 35(a) criteria for determining the class of litigants to whom to grant rehearing *en banc* "must be upheld against equal protection challenge if there is any reasonably conceivable state of facts that could provide a rational basis[9] for the classification." *Fed. Communications Comm'n v. Beach Communications, Inc.*, 508 U.S. 307, 313 (1993). Because the criteria of Rule 35(a) certainly provides a rational way for an appellate court to exercise its discretion in granting a rehearing *en banc* and because the Federal Circuit applies that criteria equally to all litigants before it, no equal protection violation has occurred. This is true even if, as a result of applying the Rule 35(a) criteria, litigants receiving nonprecedential opinions are disproportionately denied rehearing *en banc*. *Pers. Adm'r of Massachusetts v. Feeney*, 442 U.S. 256, 272 (1979) ("When the basic classification is rationally based, uneven effects upon particular groups within a class are ordinarily of no constitutional concern.").

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[9] Because rehearing *en banc* is discretionary and not a fundamental constitutional right and because litigants receiving nonprecedential opinions do not form a suspect class, rational-basis review applies to the Federal Circuit's use of the Rule 35(a) criteria for determining when to grant rehearing *en banc*. *See Johnson v. Robison*, 415 U.S. 361, 375 n.14 (1974) (discussing criteria for when heightened scrutiny applies).

Because the Federal Circuit thus did not violate Southern Clay's First or Fifth Amendment rights, certiorari should be denied for Southern Clay's first question presented.

IV. The Federal Circuit Did Not Violate the Seventh Amendment

Southern Clay's argument that the Federal Circuit violated its Seventh Amendment right to trial by jury by holding the '842 patent invalid is also devoid of merit. (Pet. at 22-25.) As explained below, the Federal Circuit properly exercised its power to enter JMOL because there are no genuine issues of material fact regarding Clocker's anticipation of the '842 patent once Cohn is held to be incorporated by reference into Clocker.

Southern Clay has not disputed and cannot dispute that the Federal Circuit has the power to enter JMOL without violating the Seventh Amendment where there are no material facts in dispute. As this Court has held, "a court of appeals may order entry of judgment as a matter of law on sufficiency-of-the-evidence grounds without violating the Seventh Amendment." *Weisgram v. Marley Co.*, 528 U.S. 440, 454 n.10 (2000); *see also Neely v. Martin K. Eby Constr. Co.*, 386 U.S. 317, 322 (1967) ("As far as the Seventh Amendment's right to jury trial is concerned, there is no greater restriction on the province of the jury when an appellate court enters judgment n.o.v. than when a trial court does; consequently, there is no constitutional bar to an appellate court granting judgment n.o.v."). That anticipation is a question of fact does not prevent the Federal Circuit from resolving it as a matter of law if no reasonable jury could reach a different conclusion. *See Anderson v. Liberty*

Lobby, Inc., 477 U.S. 242, 255 (1986) (explaining that not all factual disputes require submission to a jury).

Accordingly, Southern Clay's only basis for its assertion that the Federal Circuit violated its right to a jury trial is its erroneous position that there were genuine issues of material fact as to whether the '842 patent is invalid.

Contrary to Southern Clay's position (Pet. at 23, 25), however, there are no genuine issues of material fact related to whether Clocker anticipates the '842 patent once the legal determination has been made that Clocker incorporates Cohn by reference. Because United's argument that Clocker anticipates the '842 patent as a matter of law is based on the express disclosures of the Clocker and Cohn references (Pet. App. at 9), there was sufficient record evidence (*i.e.*, the Clocker and Cohn patents) on which the Federal Circuit could conclude that no disputed issues of material fact were present, contrary to Southern Clay's contention (Pet. at 23). Indeed, the Federal Circuit identified in these references every element of the asserted '842 patent claims. (Pet. App. at 11 & n.1.) The court thus properly held that no reasonable jury could find that the '842 patent was not invalid and accordingly entered judgment as a matter of law that the '842 patent is invalid. (Pet. App. at 11; *see also id.* at 7, 9.)

Tellingly, Southern Clay itself does not discuss a single issue of disputed fact that would prevent JMOL regarding whether the '842 patent is anticipated by Clocker if Clocker incorporates Cohn by reference. (*See* Pet. at 22-25.) Southern Clay instead relies exclusively on various statements or actions by United, by the magistrate judge and the district court judge, and by Chief Judge Mayer, that it asserts establish the presence of genuine issues of material

fact. As discussed below, Southern Clay's reliance on these statements or actions is wholly misplaced.

First, contrary to Southern Clay's assertions, United never admitted that issues of fact remain when Clocker is held to incorporate Cohn by reference. (Pet. at 9, 23.) United has consistently maintained, in both the district court and on appeal, that, if Cohn is incorporated by reference into Clocker, the '842 patent is anticipated as a matter of law. (Defendant United Catalysts, Inc.'s Motions for Partial Summary Judgment at 62-64, filed Dec. 30, 1999 (S.D. Tex.); Brief for Defendant-Appellant United Catalysts, Inc. at 38, 40-43, filed Aug. 6, 2001 (Fed. Cir.); Pet. App. at 9.) United agreed in the joint pretrial order that "[w]hether U.S. Patent No. 3,951,850 . . . anticipates the claims of the '842 or '501 patents" was a contested issue of fact (Joint Pretrial Order at 6, filed May 1, 2000 (S.D. Tex.)) because the district court had not accepted its argument that Clocker incorporates Cohn by reference. That United proceeded to trial in accordance with the district court's summary judgment ruling does not constitute an admission that factual issues remain if Cohn is incorporated into Clocker. Moreover, United's statement in the pretrial order is consistent with its inherent-anticipation argument.

Second, Southern Clay's reliance on the magistrate judge and the district court judge is equally misplaced. (Pet. at 23, 25.) Neither judge ever held that Clocker incorporated Cohn by reference, let alone held that genuine issues of material fact remained even if Cohn were incorporated. Further, when the district court did later address the issue in its opinion following trial, it concluded that United's argument that Clocker incorporated Cohn by reference was wrong as a matter of law. (Memorandum Opinion at 27, entered Feb. 2, 2001 (S.D. Tex.).) Thus, contrary to

Southern Clay's contention, the district court never held that there were genuine issues of material fact even if Cohn is incorporated by reference into Clocker.

Lastly, Southern Clay also relies upon Chief Judge Mayer's view that the issue of anticipation should have been remanded to the district court for submission to a jury. (Pet. at 11-12, 23, 25.) The Chief Judge's dissent, however, does not identify a single genuine issue of material fact in dispute. (Pet. App. 14-17.) Southern Clay has accordingly failed to establish the presence of any issues requiring resolution by a jury.

Because there are no disputed issues of material fact related to the validity of the '842 patent once Clocker is held to incorporate Cohn by reference, the Federal Circuit's entry of judgment as a matter of law did not violate the Seventh Amendment. This Court should therefore deny certiorari on Southern Clay's second question presented.

CONCLUSION

For the foregoing reasons, United respectfully urges the Court to deny Southern Clay's petition for a writ of certiorari in its entirety.

Respectfully submitted,

Donald R. Dunner
Counsel of Record
FINNEGAN, HENDERSON,
FARABOW, GARRETT &
DUNNER, L.L.P.
1300 I Street, N.W.
Washington, DC 20005-3315
(202) 408-4000

Adam Avrunin
Kelly A. Casey
Michael J. McCabe II
FINNEGAN, HENDERSON,
FARABOW, GARRETT &
DUNNER, L.L.P.
3200 SunTrust Plaza
303 Peachtree Street, NE
Atlanta, GA 30308-3201
(404) 653-6400

Counsel for Respondent
United Catalysts, Inc.